

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
FIRST-CLASS PACKAGE SERVICE CONTRACT 55
(MC2016-148)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2016-185

**NOTICE OF UNITED STATES POSTAL SERVICE OF
AMENDMENT TO FIRST-CLASS PACKAGE SERVICE CONTRACT 55,
WITH PORTIONS FILED UNDER SEAL**
(January 31, 2017)

The Postal Service hereby provides notice that the terms of First-Class Package Service Contract 55, in the above-captioned proceeding, have changed as contemplated by the contract's terms. A redacted version of the amendment to First-Class Package Service Contract 55 is provided in Attachment A, and the unredacted amendment is being filed under seal. The amendment will become effective two business days following the day that the Commission completes its review of this filing.

This amendment will not materially affect the cost coverage of First-Class Package Service Contract 55. Therefore, the supporting financial documentation and financial certification initially provided in this docket remain applicable. The Postal Service hereby incorporates by reference the Application for Non-Public Treatment originally filed in this docket, for the protection of the information that has been filed under seal.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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January 31, 2017

ATTACHMENT A

REDACTED AMENDMENT TO FIRST-CLASS PACKAGE SERVICE CONTRACT 55

**AMENDMENT
OF
SHIPPING SERVICES CONTRACT
BETWEEN
THE UNITED STATES POSTAL SERVICE
AND
[REDACTED]
REGARDING
FIRST-CLASS PACKAGE SERVICE**

WHEREAS, the United States Postal Service ("the Postal Service") and [REDACTED] ("Customer") entered into a shipping services contract regarding First-Class Package Service on May 16, 2016.

WHEREAS, the Parties desire to amend the terms in Sections I.G.1 and I.G.2 of the Contract.

NOW, THEREFORE, the Parties agree that the contract is hereby amended as detailed below. The existing contract remains unchanged in all other respects. This amendment shall become effective two (2) business days following the day on which the Commission issues all necessary regulatory approval.

[Replace Sections I.G.1 and I.G.2 in their entirety, as follows.]

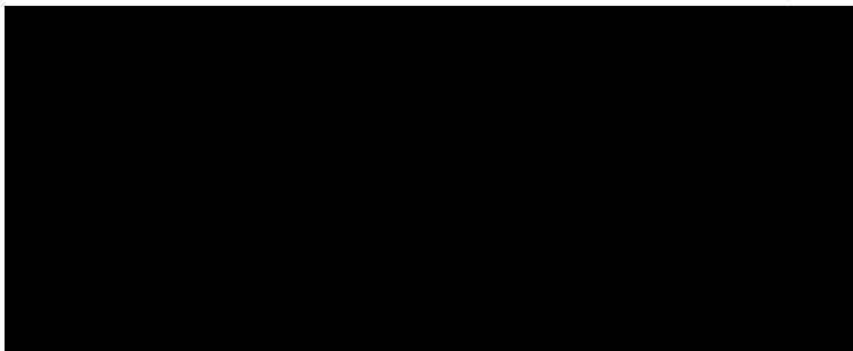
I. Terms

G. Contract Prices.

1. **Implementation Period.** From the effective date of this amendment until July 1, 2017 ("Implementation Period"), Customer shall receive the Tier 1 percentage discounts off of prevailing First-Class Package Service ("FCPS") published prices, for each weight cell, pursuant to Table B, unless Customer qualifies for a Tier 2 or Tier 3 discount starting April 1, 2017 based upon volume from the previous full Contract Quarters: Q1 2017, Q4 2016, Q3 2016 and Q2 2016. However, if the price on any discounted weight cell exceeds the corresponding published price for the same weight cell for First-Class Mail parcels, then Customer's contract price for that weight cell will be equivalent to the First-Class Mail parcel published price.
2. **Subsequent Prices.** Following the Implementation Period, Customer shall receive the percentage discounts off of prevailing FCPS published prices, for each weight cell, based on Customer's average quarterly volume of Contract Packages shipped during the previous full Contract Quarters, pursuant to Table B. However, if the price on any discounted weight cell exceeds the corresponding published price for


the same weight cell for First-Class Mail parcels, then Customer's contract price for that weight cell will be equivalent to the First-Class Mail parcel published price.

The Postal Service will monitor Customer's volume of Contract Packages, and, within 15 days after the start of each Contract Quarter, will notify Customer of the applicable tier for that Contract Quarter based on Table B below. Tier price changes will be effective within 15 days after the start of each Contract Quarter. Discounted prices will be calculated by the Postal Service and rounded up to the nearest whole cent.



IN WITNESS WHEREOF, the Parties hereto have caused this amendment to be duly executed as of the later date below:

UNITED STATES POSTAL SERVICE

Signed by: 

Printed Name: Cliff Rucker

Title: Senior Vice President, Sales and Customer Relations

Date: 1/25/17

